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ABSTRACT

This paper provides background information about a statute that affects the fiscal operation of California community colleges. The Fifty Percent Law (Education Code 84362) requires "there shall be expended each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education." This paper is intended to inform discussions of a taskforce by providing historical background, information on the wide variety of factors which affect local district decisions in competing fiscal requirements, and context for discussions about the appropriateness of the Fifty Percent Law. The October 2000 State Auditor's report identified specific categories of expenditures that it believes have been misclassified or mischaracterized by the local districts and the Chancellor's State Accounting Manual. The most significant area of dispute is the inclusion of salaries of instructors who are released from all or a portion of their direct teaching duties to provide other services related to the district's instructional program. Community college board and district personnel have a wide variety of issues, which must be addressed in determining the appropriate expenditure of state revenues. Among the most important is that of meeting minimum conditions--programmatic requirements that a district must meet as a condition of receiving state funds. (JA)

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Community College League of California

FIFTY PERCENT LAW –BACKGROUND PAPER

50% Law Implementation Under Challenge

Among the many regulations and statutes affecting the fiscal operation of California Community Colleges is one known as the "50% Law." This statute (Education Code §84362) requires "there shall be expended each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education."

On October 12, the California State Auditor issued findings that six out of ten districts did not meet the 50 Percent Law requirement for fiscal year 1998 – 1999, despite reporting compliance with the law. The State Auditor's finding have been reported in newspapers throughout the state under headlines declaring "too little being spent on faculty at community colleges.

A task force has been formed by Chancellor Nussbaum to address the law, its value, implementation and enforcement. As the state task force deliberates, it should be guided by local district discussions and ideas. This paper is intended to inform these discussions with historical background, information on the wide variety of factors which affect local district decisions about competing fiscal requirements, and provide some context for discussions about the appropriateness of the 50% Law.

Defining Classroom Instructor

The Education Code section governing the issue of funding for salaries of classroom instructors is Section (§) 84362 (formerly 1959 Education Code §17503). When enacted in 1961, it applied to teachers in both school districts and "junior colleges," and defined classroom instructor as follows:

> "… an employee of the district employed in a position requiring minimum qualifications and whose duties require him or her to teach students of the district for at least one full instructional period each school day for which the employee is employed…"

When enacted, §17503 could be applied with a fair degree of precision because instructors spent the bulk of their time teaching in a classroom. Since that time, with the enactment of additional statutes and regulations, including the Educational Employment Relations Act (EERA) and provisions of AB 1725 (Chapter 973, Statutes of 1988), the situation has become much more ambiguous and its interpretation correspondingly more complex.

The definition of classroom instructor contained in §84362 makes little sense in the context of community college instruction. Unlike teachers in the K-12 system, who are in the classroom virtually all day, five days per week, community college faculty usually are not in the classroom every day and a significant portion of their work is accomplished outside the classroom on activities – such as office hours, curriculum development and a variety of leadership activities, such as participatory governance – which are "devoted to the instruction of students."

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Due to differences between K-12 and community college operations, a literal reading of §84362(b)(1) makes little sense for community colleges for the following reasons:

1) No community college district in the state could ever satisfy the requirement that 50 percent of the current expense of education be spent on the salaries of those who spend "full-time ... devoted to the instruction of students."
2) A large disincentive would be imposed on districts which provide "more responsibility for faculty members in duties that are incidental to their primary professional duties," as encouraged in AB 1725, §4(n)).
3) An interpretation, such as in (2) would be contrary to the EERA which requires districts to negotiate with their faculty on matters affecting wages, hours and terms and conditions of employment.
4) Community colleges are subject to "minimum conditions" (most of which are on the "wrong" –i.e., non-instruction –side of the 50% equation and) which must be met or state funds can be withdrawn by the Chancellor's Office.

The October 2000 State Auditor's report identified specific categories of expenditures which it believes have been misclassified or mischaracterized by the local districts and the Chancellor's State Accounting Manual. The most significant area of dispute is the inclusion of salaries of instructors who are released from all or a portion of their direct teaching duties to provide other services related to the district's instructional program. Among these outside-the-classroom services questioned are: office hours; salaries for instructors on sabbatical leave; and salaries for instructors released or reassigned from their regular classroom assignments to provide services such as chairing a department, coordinating academic programs, or developing curriculum.

Legislative Intent Regarding Teaching Time Definition

In determining whether the interpretation about the expenditure categories above is appropriate, it is essential to consider legislative intent with the understanding that the courts have ruled that a "literal reading resulting in unintended consequences does not control over intent." Hence both the wording of the statute and the consequences of differing possible interpretations must be evaluated to determine legislative intent. In addition, statutes must be considered in context with the entire statutory scheme of which they are a part in order to conform their effect with legislative intent. Insofar as possible, the courts have ruled, "seemingly conflicting or inconsistent statutes will be harmonized in order to give effect to each."

In the context of §84362 and its predecessor, there is a record of the legislature's reasons for adopting the predecessors to §84362. Legislative history appears to demonstrate that the objective was to decrease class size in California's public schools rather than guarantee teachers any particular level of compensation, as some have argued.

Section 84362 originated as former §17503 of the 1959 Education Code. Former §17503 was added by Chapter 2194, Statutes of 1961. Prior to enactment of §17503, former Education Code §17200 was the effective code section which applied to "junior colleges" as well as high schools and elementary schools, and required districts to employ an accounting system "designed to provide a separate and clear distinction between expenditures for salaries of classroom teachers employed by the district and expenditures for other purposes of the district."

The first Education Code section to mention the "salaries of classroom teachers" was former Education Code §17200 (Ch. 1607, Statutes of 1959 – SB 1164) which defined "salaries of

classroom teachers" to mean the entire salary of a teacher, all of whose time was "devoted to the teaching of pupils in the district," or a pro-rata portion of the salary of a teacher, some, but not all, of whose time was "devoted to the teaching of pupils in the district." The legislative history of former §17200 reveals that, by adopting this definition of "salaries of classroom teachers," it was the Legislature's intent that districts accurately account for their expenditures on employees who are part-time teachers and part-time administrators.

SB 1164 was introduced with no definition of "salaries of classroom teachers," but was amended to define "salaries of classroom teachers" as that portion of teacher salaries "...devoted to the teaching of pupils of the district in a classroom." Some school districts opposed SB 1164 fearing that it would unduly restrict local control over educational decision making. In a letter to the governor's legislative secretary, the Los Angeles City Board of Education expressed fears that this language would impose restrictions based on an unrealistic definition of "teaching time." Due to these concerns, the Legislature subsequently amended SB 1164 to delete the "in a classroom" limitation; however, this amendment did not satisfy the Los Angeles Board's concerns about what would be considered "teaching time" under the statute.

Proponents of SB 1164 responded to these further expressions of concern by clarifying that the bill had nothing to do with distinctions between teacher time spent in or out of the classroom, but rather was intended to identify teachers whose duties included some administrative tasks. The comparison was between the functions performed by teachers and those performed by certificated administrators (now referred to as either academic administrators or education administrators in community college). This clarification was stated in a bill memorandum to the Governor that indicated that opposition to the bill was based upon "an erroneous construction of the bill ...that all teachers must segregate their time between classroom and other work. The bill rather clearly requires segregation only for those teachers whose duties are not full-time teaching but also include certain administrative tasks." It was this understanding of "salaries of classroom teachers" that was adopted and eventually became the phrase "salaries of classroom instructors" in current Education Code §84362. Subsequently, the California courts have ruled that "the rejection [by the Legislature] of a specific provision contained in an act as originally introduced is 'most persuasive' that the act should not be interpreted to include what was left out."

Class Size Reduction Intent

With this understanding of the definition of "salaries of classroom teachers" already in place, in 1961 the Legislature turned to the specific question of class size reduction. The legislative history behind former §17503 demonstrates that the Legislature's concern in enacting this statute was to address an imbalance that had developed between spending on administrative and instructional duties.

The Legislature's intent regarding adoption of former §17503 is included in correspondence to the Governor which clarifies that reducing class size was the objective of AB 1789, which included former Education Code §17503:

> "The policy judgment underlying this bill is that school districts are expending too much money on administration and on student counseling and guidance services. It is believed that the need for extensive counseling and administrative services would be substantially reduced if the classroom teacher was not confronted with overly large classes and that the teacher can provide the most effective guidance. As classroom sizes increase, so the theory runs, the need for attendant administrative and counseling services also increases."

The inclusion of former Education Code §17503 in AB 1789 was the result of a report of the Senate Fact Finding Committee on Government Administration entitled *An Analysis of School District Expenditures for Certificated Personnel Salaries.* This report describes the increase in class size as a problem caused by increasing expenditures on administration and counseling and corresponding decreases in expenditures for classroom instruction, when these administrative expenditures were being devoted to functions closely related to classroom teaching that could be performed better and more efficiently by teachers in classroom contact with students. Neither the report nor the legislative history make any mention of assuring teachers any particular level of compensation.

From the legislative history of former §17503 itself, and from the Legislature's incorporation of former §17200's definition of "salaries of classroom teachers" into former §17503, it can be concluded the 50 percent law as applied to "junior college districts" was intended to limit expenditures for administration -- not to penalize districts whose teachers devoted time to teaching-related activities other than traditional classroom instruction.

Expanded Role for Instructors: Collective Bargaining

This issue became more complex in 1961 and following years as the Legislature has sought to expand the role of community college instructors in teaching-related activities other than traditional classroom instruction. In 1977 the Legislature enacted a collective bargaining law, the EERA (SB 160 -- Chapter 961, Statutes of 1975), and made it applicable to California's school and community college districts. In Government Code §3543.2(a) the Legislature included in the scope of bargaining the following:

> "The scope of representation shall be limited to matters relating to wages, hours of employment and other terms and conditions of employment. 'Terms and conditions of employment' mean... class size, procedures for evaluation of employees... In addition the exclusive representative of certificated personnel has the right to consult on the definition of education objectives, the determination of content of courses and curriculum, and the selection of textbooks to the extent such matters are within the discretion of the public school employer under the law."

The Legislature included within the scope of bargaining both wages and class size as enumerated terms and conditions of employment and gave employee representatives the right to consult on the educational objectives of the district. Thus, without modifying the definition of "salaries of classroom teachers," the Legislature broadened its understanding of the role of community college instructors. As a result, any restraints former §17503 may have imposed initially on community college districts with respect to class size must now be considered in light of the Legislature's subsequent requirement that districts negotiate over wages and class size, and that districts and their faculty may enter into an agreement which allocates resources in a manner inconsistent with the dictates of former §17503. As the later-enacted statute, the Legislature is deemed to have had former §17503 in mind when it enacted the EERA, which takes precedence over former §17503. As the 4th District Court of Appeals has ruled, "We must assume that the Legislature has in mind existing laws when it enacts a statute."

Through the EERA, the Legislature removed from districts the authority to determine unilaterally how much salary classroom instructors would receive, how large or small classes would be, and the role of instructors outside the classroom. As a result of the EERA, the amount of salary

classroom instructors receive was made subject to the negotiation process. In light of the clearly-stated intent of the Legislature with respect to the enactment of former §17503 (i.e., to limit class size), it cannot be argued successfully that the purpose of the "50% Law" was to establish a minimum compensation base from which salary negotiations would begin.

In 1978, the Legislature amended Education Code §84031 (now repealed), the successor section to former §17200. These amendments confirmed that the crucial distinction for purposes of the "50% Law" and the Legislature's concerns regarding class size was between salaries of administrators/supervisors and those of instructors. Former §84031 added a requirement that community college districts develop an accounting system that distinguishes clearly between expenditures for salaries of classroom instructors employed by the district, salaries of administrators/supervisors employed by the district, administrative costs other than salaries, and expenditures for other district purposes.

In defining administrators or supervisors, the Legislature simply adopted language virtually identical to the definition of "managerial and supervisory employees" as set forth in the EERA, Government Code §3540.1 (g) and (m). At the same time, the Legislature carried forward its definition of "instructor," and maintained the clear distinction between instruction and administration that had existed since 1959.

Expanded Role for Instructors: Collegial Consultation

After introducing increased faculty involvement in institutional decision-making through the EERA, the Legislature enacted AB 1725 and made clear that it again intended to expand the definition of the appropriate role of community college faculty, including instructors, well beyond the classroom:

> "It is a general purpose of this act to improve academic quality, and to that end the Legislature specifically intends to authorize more responsibility for faculty members in duties that are incidental to their primary professional duties."

The Legislature also made clear in AB 1725 that when faculty, including instructors, exercise these increased responsibilities they do not lose their status as bargaining unit employees and become administrators or supervisors:

> "It is the intent of the Legislature that, in exercising these increased responsibilities, faculty members are not deprived of their status as employees under Chapter 10.7 (commencing with §3540) of Division 4 of Title 1 of the Government Code [the EERA]. It is also the intent of the Legislature that the exercise of this increased responsibility shall not make these faculty members managerial or supervisory employees as those terms are defined in that chapter."

In AB 1725, the Legislature indicated that faculty members, in fulfilling their expanded responsibilities, were not performing administrative functions. Thus it also is clear that these functions, because they are not administrative, are properly counted as functions of a classroom instructor or other employee within the definition of faculty for purposes of §84362.

Finally, in 1995, former §84031 was merged with §84362 to form the present language of §84031, thus maintaining the Legislature's clear distinction between instructional and administrative/supervisor functions.

Minimum Conditions Make 50% Law Compliance Difficult

Community college board and district personnel have a wide variety of issues which must be addressed in determining the appropriate expenditure of state revenues. Among the most important is that of meeting "minimum conditions" -- programmatic requirements which a district must meet as a condition of receiving state funds. If any of these conditions is not met, the Chancellor's Office has authority to remove all, or a portion of, state funding from the offending district.

Minimum conditions are established both by Title V of the California Code of Regulations and the California Education Code which require that each community college governing board do all of the following to receive state funding:

1) Adopt regulations consistent with the "standards of scholarship" as detailed in regulations;
2) Adopt regulations consistent with all regulations involving degrees and certificates contained in Subchapter 10 commencing with §55800 (§51004);
3) Adopt by resolution a statement regarding open enrollment;
4) Establish policies for and approve a comprehensive or master plan including academic master plans and long range master plans for facilities;
5) Adopt a district policy which describes its affirmative action employment programs and meets the requirements of § 53002; develop and adopt a district faculty and staff diversity plan which meets the requirements of §53003, ensure that its employment patterns are annually surveyed in the manner required by §53004, ensure that a program of recruitment is carried out as required by §53021, ensure that screening and selection procedures are developed and used in accordance with §53024; ensure that corrective action is taken consistent with requirements of §53006, ensure that the pattern of hiring and retention furthers the goals established in the district's faculty and staff diversity plan and substantially complies with other provisions of subchapter 1 commencing with §53000 (§51010);
6) Establish mandatory student fees as expressly authorized by law;
7) When planning a new college or educational center, obtain approval for such college or educational center from the BOG;
8) Be accredited by the Accrediting Commission for Community and Junior Colleges;
9) Adopt regulations and procedures including provisions for, and publicity regarding, an organized and functioning counseling program in each college within the district, including: academic counseling, career counseling, personal counseling, coordination with the counseling aspects of other services to students which may exist on campus, counseling services as specified [in other subsections] and shall be provided to first-time students enrolled for more than six units, students enrolled provisionally, and students on academic or progress probation;
10) Have "stated objectives for its instructional program and for the functions which it undertakes to perform;"
11) Establish programs of education and courses which will permit the realization of the objectives and functions of the community college, and have all courses meet with the approval of the Chancellor in a manner provided in Subchapter 1 of Chapter 6;
12) Develop, file with the Chancellor, and carry out its policies for the establishment, modification or discontinuance of courses or programs. Such policies shall incorporate

statutory responsibilities regarding vocational or occupational training program review as specified in Education Code Section 78016;

13) Adopt a policy statement on academic freedom and procedures which is consistent with the provisions of §53000-53206;

14) Adopt policies and procedures that provide the district and college staff the opportunity to participate effectively in district and college governance, and lists the minimum requirements for these policies (§51023.5);

15) Adopt policies and procedures for student participation in shared governance, including a lengthy list of requirements (§51023.7);

16) Adopt and submit to the Chancellor a matriculation plan, evaluate its matriculation program and participate in statewide evaluation activities, provide matriculation services to its students, establish procedures for waivers and appeals in connection with its matriculation program, and substantially comply with all other provisions of Subchapter 6 of Chapter 6 of this Division;

17) In years in which the Board of Governors determines that adequate growth and adequate cost-of-living funds have been provided, districts must apply the growth revenues received related to increases in FTES to in accordance with a formula established in the regulations;

18) Adopt a student equity plan (§51026);

19) Recognize transfer as a primary mission and place priority emphasis on the preparation and transfer of underrepresented students, those with disabilities, those from low-income, and others historically and currently underrepresented in the transfer process; and direct development and adoption of a transfer center plan including specific targets for increasing transfer applications. Other required activities include: monitoring student progress, supporting the progress of transfer students through referrals to testing, tutoring, financial assistance, counseling and other student services on campus; assisting students in the transition process; developing and implementing a schedule of services for transfer students to be provided by baccalaureate institution staff, providing a resource library of college catalogs, transfer guides, articulation information, agreements, and applications to baccalaureate institutions, and related transfer information; providing space and facilities adequate to support the transfer center and its activities including designation of a particular location on campus as the focal point of the transfer functions. The college also must provide clerical support for the transfer center and assign college staff to coordinate the activities of the transfer center, coordinate underrepresented student transfer efforts, serve as liaison to articulation, to student services, and to instructional programs on campus, and to work with baccalaureate institution personnel; designate an advisory committee to plan the development, implementation and ongoing operations for the transfer center; include in the plan a plan of institutional research for conducting internal evaluation of the effectiveness of the college's transfer efforts and the achievement of its transfer center plan; and submit an annual report to the Chancellor describing the status of the district's efforts to implement its transfer center, achievement of transfer center plan targets and goals. (§ 51027)

A quick glance at these provisions – which include only specified minimum conditions and not all activities which a district must conduct to support a quality academic program – indicates that very few or none of them is on the "right" (instruction) side of the 50% Law equation. Instead, most are supportive services which must be balanced by increasing instructors' salaries or lowering class size to keep a district in compliance with the 50% Law.

Partnership for Excellence Adds Further Challenge

Another complicating factor for district boards and personnel as they attempt to determine the best use of "current expense" funds is programs such as Partnership for Excellence which, as it is increased in future years and becomes a greater percentage of the total current expense of education, could force difficult budget decisions. Specifically, districts must decide whether to expend the funds for services (such as counselors, transfer centers and staffing, and learning centers) which are "on the wrong" (i.e., non-classroom) side of the 50 Percent Law, but have been found to have the most direct effect on the outcomes sought (including increasing the number of transfer students, job placements, and certificates and degrees completed), or on more classroom instructors or higher salaries for classroom instructors may not be as efficacious in a particular district in reaching the sought-after outcomes.

Issues for Discussion

Given the elements which have been reviewed here – including legislative history and intent, the large number of minimum conditions which a district must meet, and the effect of trying to be in accord with "best practices" in spending categorical funds – it appears that a thorough review of the 50% Law is in order to determine whether this law is appropriate for community colleges and provides optimal benefits to students, and, if not, whether and how the language should be amended or the law repealed.

Among the issues that need to be considered are:

- With the variety of approaches, programs and services being used to assist students in the learning process, can one identify a minimum percent of expenditures for any one component of the learning process?
- If so, how can such a determination be made based on research? And, should that determination be a state or local decision?
- With local collective bargaining laws and local decision-making laws and regulation in place, is there a need for a law setting a minimum expenditure level for salaries of employees "devoted to instruction."
- If there is, what job duties and responsibilities can be identified as being devoted to instruction?
- Should the use of the term "classroom instructor" be replaced in law?
- If so, should it be replaced with a term that covers all faculty, including counselors and librarians? What about faculty assistants and instructional aides?
- Considering the political climate, what approaches should the CEOCCC and CCCT boards of the League take to address this issue?

50 PERCENT LAW CALCULATIONS
(Information)

The 50 Percent Law is governed by Education Code Section 84362, which reads as follows:

§ 84362. Classroom instructors; definitions; reports

(a) As used in this section, "salaries of classroom instructors" means:

(1) The salary paid to each instructor employed by the district whose duties require that the full time for which the instructor is employed be devoted to the instruction of students of the district.

(2) The portion of the salary of each instructor whose duties require that a part, but not all, of the full time for which the instructor is employed be devoted to the instruction of students of the district, which is equal to the portion of the full time actually devoted by the instructor to teaching students of the district.

(3) The salary paid to each instructional aide employed by the district, any portion of whose duties are required to be performed under the supervision of an instructor. However, the cost of all health and welfare benefits provided to the instructors by the community college district shall be included within the meaning of "salaries of classroom instructors."

(b)(1) As used in this section, an "instructor" means an employee of the district employed in a position requiring minimum qualifications and whose duties require him or her to teach students of the district for at least one full instructional period each schoolday for which the employee is employed. An instructional period is the number of minutes equal to the number of minutes of the regular academic period in the community college in which the instructor is employed.

(2) As used in this section, "administrator" means any employee in a position having significant responsibilities for formulating district policies or administering district programs; and "supervisor" means any employee having authority, on behalf of the district, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, discipline other employees, adjust their grievances, or effectively recommend that action, if the exercise of the authority is not of a merely routine or clerical nature.

(c) "Current expense of education" means the gross total expended (not reduced by estimated income or estimated federal and state apportionments) for the purposes classified in the final budget of a district (except one which, during the preceding fiscal year, had less than 101 units of full-time equivalent student) for academic salaries other than academic salaries for student transportation, food services, and community services; classified salaries other than classified salaries for student transportation, food services, and community services; employee benefits other than employee benefits for student transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for student transportation and food services; and community services, contracted services, and other operating expenses other than for student transportation, food services, and community services. "Current expense of education," for purposes of this section, shall not include those expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the Accounting Manual for California Community Colleges), the amount expended from categorical aid received from the federal or state government which funds were granted for expenditures in a program not incurring any instructor salary expenditures or requiring disbursement of the funds without regard to the requirements of this section, or expenditures for facility acquisition and construction; and shall not include the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government pursuant to the "Economic Opportunity Act of 1964" or any extension of that act of Congress or the amount expended by a community college from state or federal funds received by the community college for grants to community college students or for the employment of community college students.

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(d) There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education.

(e) If the board of governors determines that a district has not expended the applicable percentage of current expense of education for the payment of salaries of classroom instructors during the preceding fiscal year, the board shall, in apportionments made to the district from the State School Fund after April 15 of the current fiscal year, designate an amount of the apportionment or apportionments equal to the apparent deficiency in district expenditures. Any amount so designated by the board of governors shall be deposited in the county treasury to the credit of the community college district, but shall be unavailable for expenditure by the district pending the determination to be made by the board of governors on any application for exemption which may be submitted to the board of governors. In the event it appears to the governing board of a community college district that the application of the preceding subdivisions during a fiscal year results in serious hardship to the district, or in the payment of salaries of classroom instructors in excess of the salaries of classroom instructors paid by other districts of comparable type and functioning under comparable conditions, the governing board may apply to the board of governors, in writing, not later than September 15th of the immediately succeeding fiscal year for exemption from the requirements of this section.

(f) Immediately upon applying for the exemption described in subdivision (e), the governing board shall provide the exclusive representative of the district's academic employees or, if none exists, the district or college academic senate, and all academic employee organizations eligible for payroll dues deduction, with a copy of the application. The exclusive representative, or the district or college academic senate, and all academic employee organizations eligible for payroll dues deduction, within 30 days of its receipt of the application, may transmit to the board of governors a written statement opposing the application, setting forth reasons for its opposition.

(g) Upon receipt of the application described in subdivision (f), duly approved, and of the statement of opposition, if any, the board of governors shall grant the district exemption for an amount that is less than one thousand dollars ($1,000). If the amount is one thousand dollars ($1,000) or more, the board of governors may grant the district exemption from the requirement for the fiscal year for which the application is made if a majority of all the members of the board of governors finds, in writing, that the district will in fact suffer serious hardship or will have to pay salaries of classroom instructors in excess of those paid by other districts of comparable type and functioning under comparable conditions unless the district is granted an exemption. If the exemption is granted, the designated moneys shall be immediately available for expenditure by the community college district governing board. If no application for exemption is made or exemption is denied, the board of governors shall order the designated amount or amount not exempted to be added to the amounts to be expended for salaries of classroom instructors during the next fiscal year.

(h) The board of governors shall enforce the requirements prescribed by this section, and may adopt necessary rules and regulations to that end. It may require the submission during the college year, by community college district governing boards and county superintendents of schools, of the reports and information as may be necessary to carry out this section.

(i) The board of governors, no later than the 10th calendar day of each year of the Legislature, shall submit to the Legislature a written report on the operation, effect, and the extent of compliance with this section by community college districts in the state during the two most recently ended fiscal years. The report shall describe the activities of the board of governors and the chancellor's office, undertaken to ensure compliance with this section, and may contain recommendations for legislation pertaining to that subject. *(Stats.1976, c. 1010, § 2, operative April 30, 1977. Amended by Stats.1976, c. 1011, § 93, operative April 30, 1977; Stats.1977, c. 36, § 340, eff. April 29, 1977, operative July 1, 1977; Stats.1978, c. 223, § 3; Stats.1981, c. 470, p. 1774, § 296; Stats.1984, c. 274, § 8, eff. July 3, 1984, operative July 3, 1984; Stats.1981, c. 470, § 296, operative Jan. 1, 1988; Stats.1990, c. 1372 (S.B.1854), § 665; Stats.1995, c. 758 (A.B.446), § 122.)*

Districts report compliance with the 50 Percent Law as part of their annual Financial and Budget Report (CCFS-311), which is due to the Chancellor's Office annually on or before September 30 of each year.

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